

Washington, DC -- Congresswoman Linda Sánchez (D-CA) joined with New Jersey Congressmen Bill Pascrell (D-NJ) and Frank Pallone (D-NJ) at a press conference today to announce the introduction of the Accountability in Deferred Prosecutions Act of 2008. The bill creates guidelines and oversight for deferred prosecution agreements. The agreements gained national attention after former Attorney General John Ashcroft gave testimony in front of Congresswoman Sánchez' Judiciary Committee Subcommittee on Commercial and Administrative Law on a lucrative corporate monitoring contract his firm received as a part of a deferred prosecution agreement.

Congresswoman Sánchez made the following remarks.

"Good morning, I'm Congresswoman Linda Sánchez, chair of the Subcommittee on Commercial and Administrative Law.

I'm pleased to be here with my colleagues Bill Pascrell and Frank Pallone to announce the introduction of an important piece of legislation that will bring confidence and credibility to a corner of our system of justice that has gone largely unnoticed -- until recently.

Four months ago, I held a hearing in the Commercial and Administrative Law Subcommittee on the appointment of corporate monitors in so-called "deferred prosecution" and "non-prosecution" agreements.

In these agreements, prosecutors get companies to agree to change their practices, pay fines, and accept the supervision of a monitor to make sure that companies keep their promises.

The problem is that there isn't much of a system to decide when these agreements should be used, who chooses the monitor, how much they should be paid, and who holds the monitor accountable.

Late last year, I was troubled to learn of what appeared to be a backroom, sweetheart deal when the U.S. Attorney from New Jersey, Christopher Christie appointed former Attorney General John Ashcroft, his previous boss, to serve as a corporate monitor and collect fees between \$28 and \$52 million.

I was also concerned to learn from press accounts that Mr. Ashcroft was selected with no public notice and no bidding.

When prosecutors pick people in this way, it raises doubts about the effectiveness of the monitoring process. It also raises questions about whether prosecutors are deferring prosecution because it is in the public interest -- or because it creates a rich payday for a friend.

In response to the bad publicity, the Justice Department issued some guidelines on the eve of the Subcommittee hearing. But the guidelines do not go far enough and lack sufficient detail. Parties to these agreements continue to operate in a "Wild West" environment with no uniformity and little direction.

That's why we're introducing the "Accountability in Deferred Prosecution Act of 2008."

This legislation will shine a light on a process that's largely been operating in the dark.

I want to thank my colleagues Bill Pascrell and Frank Pallone for their continued leadership on this issue. They deserve gratitude for their efforts to restore credibility to our system of justice.

I know they will go into greater detail about the bill itself, so let me close by saying I think this is a good bill, an important bill, and that I plan on holding a legislative hearing on it soon."